



Foreign Agricultural Service

GAIN Report

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Czech Republic

Grain and Feed

Update

2003

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Report Highlights: Czech farmers planted about 100,000 hectares less wheat than in the last crop cycle and no wheat exports are expected in 2002/3. Corn production has doubled since 1996 from about 200,000 MT to about 400,000 MT but no further increase is expected. Rapeseed production is expected to be the same as last year.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Vienna [AU1], EZ

Winter wheat

In the fall of 2002 about 700 000 hectares of winter wheat was sewn, which is lower than the year before (800 000 hectares). The decline is due to unfavorable weather conditions (too much rain and flooding in August). Production in 2003/04 will therefore be lower; the Ministry of Agriculture does not have any estimate yet. Last year production was less than 4 mil. MT.

In previous years production of wheat was higher than domestic consumption and about 25% of total production had to be exported. The lower production in 2003/04 will cover domestic consumption and no exports are expected. The Czech Republic exported wheat mainly to the EU.

Corn

Production of corn has doubled since 1996 from about 200,000 MT to about 400,000 MT last year. According to Ministry of Agriculture specialists this is probably the maximum level due to climatic conditions. The Czech Republic used to import corn, mainly from Hungary and France, but last year started to export (about 50,000 MT).

Rapeseed

In MY 2002/03 production of rapeseed was about 850-900,000 MT, out of which 400,000 was domestically processed, the rest was exported, mainly to Germany and Austria. Production in MY 2003/04 is expected to be at the same level. About 10,000 of rapeseed is imported from Slovakia. August floods did not affect production of rapeseed much, since most of it had already been harvested (only about 600 hectares of rapeseed and 1,000 hectares of total oilseeds were completely damaged).

The Czech government subsidizes the production of rapeseed for bio-fuels. With this subsidy farmers sell rapeseed for about \$200-\$230/MT while the market price for regular rapeseed is lower. Once the Czech Republic is in the EU (May 2004), the subsidies of bio-fuel rapeseed will change to the EU subsidy system.

Sunflower

Production of sunflower in the Czech Republic is about 50,000 MT (23-24,000 hectares) and it will be lower due to unfavorable climatic conditions. Almost all sunflower is exported to the EU, where they have better processing technology for lower quality sunflower. The Czech Republic imports higher quality sunflower from Slovakia.

Soybeans

The Czech Republic does not grow much soybeans but the area will grow slightly in MY 2003/04. Area is expected to be around 7,000 hectares (up from 5,400 hectares). The Czech Republic imports around 27,000 MT of soybean (mostly GMO free, but RR soya for distribution on the market is approved by the Ministry of Environment).